

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

-----X	Chapter 11
In re:	:
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DPH HOLDINGS CORP., <u>et al.</u> ,	:
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Reorganized Debtors.	:
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ORDER PURSUANT TO 11 U.S.C. § 105 AUTHORIZING EXPANSION OF
VOLUNTARY EMPLOYEE BENEFIT ASSOCIATION BENEFITS TO HOURLY
EMPLOYEE RETIREES

("EXPANSION OF VEBA BENEFITS ORDER")

Upon the motion, dated March 31, 2009 (the "Settlement Motion"), of Delphi Corporation and certain of its subsidiaries and affiliates, debtors and debtors-in-possession in the above-captioned cases (collectively, the "Debtors"), for an order approving the Debtors' compromise and settlement (the "Settlement") with, among others, the Committee of Eligible Salaried Retirees (the "Retirees' Committee"), this Court entered an order approving the Settlement (the "Settlement Order").

a. Under the terms of the Settlement Order, the Retirees' Committee was authorized to form a Voluntary Employee Benefit Association ("VEBA") which could sponsor a benefit for retirees and their dependents, including one which could be eligible for the Health Coverage Tax Credit ("HCTC") as contemplated by the provisions of 26 U.S.C. § 35(e)(1)(K), which extend Health Coverage Tax Credit eligibility to benefits

provided through a VEBA set up by a section 1114 committee or authorized by a bankruptcy court.

b. To avoid uncertainty over the scope of the Settlement Order and to permit hourly, as well as salaried, retirees and their dependents to have access to HCTC-eligible benefits provided by the VEBA set up by the Retirees' Committee, as determined by that VEBA, the Retiree Committee filed a Motion under 11 U.S.C. §105 to Expand Voluntary Employee Benefit Association Benefits to Hourly Employee-Retirees (the "VEBA Benefit Expansion Motion") to clarify the scope of the Settlement Order to confirm that the VEBA is deemed to be set up to offer benefits for hourly retirees of the Debtors and their dependents as well as salaried ones.

c. The Court having held a hearing on the VEBA Benefit Expansion Motion on December 18, 2009 (the "Hearing"); and upon the record of the Hearing; and after due deliberation thereon; and good and sufficient cause appearing therefor

IT IS HEREBY ORDERED, ADJUDGED, AND DECREED THAT:

1. This Court has core jurisdiction over these chapter 11 cases and the parties and property affected hereby pursuant to 28 U.S.C. §§157(b) and 1334.

2. Venue of this proceeding and the Motion in this District is proper pursuant to 28 U.S.C. §§ 1408 and 1409.

3. Notice of the Motion was properly served in accordance with the Order to Shorten Time submitted on December 10, 2009 and the Order to Shorten Notice approved by this Court and was proper and sufficient notice of the Motion for all purposes under the Bankruptcy Code and Bankruptcy Rules.

4. The Settlement Order is hereby clarified, to the extent any clarification was necessary, to provide that the VEBA established by the Retirees' Committee is authorized (but not required) to provide benefits for hourly retirees of the Debtors and their dependents, under such conditions and limitations established by that VEBA, as contemplated by the provisions of 26 U.S.C. § 35(e)(1)(K) as amended by § 1899G of the American Recovery and Reinvestment Act of 2009 (Pub. L. No. 111-5, 123 Stat 115 (Feb. 17, 2009)) extending the Health Coverage Tax Credit to benefits provided through a VEBA set up by a section 1114 committee or authorized by a bankruptcy judge.

5. The VEBA established by the Retirees' Committee under 26 U.S.C. § 501(c)(9) has been deemed to meet the Debtors' obligation under paragraph 5 of the Final OPEB Termination Order to establish under certain circumstances a VEBA for the purpose of qualifying covered employees who have retired or will retire for the tax credit available through the American Recovery And Reinvestment Act.

6. Nothing in this Order or the granting of this Motion places new or additional required obligations on the Debtors or any successor purchaser of assets of the Debtors.

7. The VEBA Benefit Expansion Motion is hereby granted and the VEBA established by the Retirees' Committee is authorized (but not required) to provide benefits for hourly retirees of the Debtors and their dependents, under such conditions and limitations established by that VEBA.

Dated: White Plains, New York
December 18, 2009

/s/Robert D. Drain
UNITED STATES BANKRUPTCY JUDGE